

110TH CONGRESS
2D SESSION

H. R. 6918

To amend the Internal Revenue Code of 1986 to allow individuals a credit against income tax for expenses paid or incurred by reason of a mandatory evacuation.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 17, 2008

Mr. BOUSTANY introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow individuals a credit against income tax for expenses paid or incurred by reason of a mandatory evacuation.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Evacuees Assistance
5 Act of 2008”.

6 **SEC. 2. CREDIT FOR EVACUATION EXPENSES IN MANDA-**
7 **TORY EVACUATION.**

8 (a) IN GENERAL.—Subpart A of part IV of sub-
9 chapter A of chapter 1 of the Internal Revenue Code of

1 1986 (relating to nonrefundable personal credits) is
 2 amended by inserting after section 25D the following new
 3 section:

4 **“SEC. 25E. EVACUATION EXPENSES IN MANDATORY EVACU-**
 5 **ATION.**

6 “(a) ALLOWANCE OF CREDIT.—In the case of an in-
 7 dividual, there shall be allowed as a credit against the tax
 8 imposed by this subtitle for the taxable year an amount
 9 equal to the qualified evacuation expenses paid or incurred
 10 by the taxpayer during the taxable year, but only to the
 11 extent not otherwise compensated for by insurance or oth-
 12 erwise.

13 “(b) DOLLAR LIMITATION.—The aggregate amount
 14 of qualified evacuation expenses which may be taken into
 15 account under subsection (a) for a taxable year shall not
 16 exceed \$2,000.

17 “(c) QUALIFIED EVACUATION EXPENSES.—For pur-
 18 poses of this section—

19 “(1) IN GENERAL.—The term ‘qualified evacu-
 20 ation expenses’ means the sum of all travel expenses
 21 (including meals and lodging) paid or incurred by
 22 the taxpayer during the taxable year by reason of a
 23 qualified evacuation.

24 “(2) QUALIFIED EVACUATION.—With respect to
 25 an individual, the term ‘qualified evacuation’ means

1 a mandatory evacuation of an area in which such in-
2 dividual resides on the date of a qualified disaster
3 (as defined in section 139(c)) in any portion of such
4 area.

5 “(d) PORTION OF CREDIT REFUNDABLE.—

6 “(1) IN GENERAL.—The aggregate credits al-
7 lowed to an individual under subpart C shall be in-
8 creased by the lesser of—

9 “(A) the credit which would be allowed
10 under this section without regard to this sub-
11 section, or

12 “(B) the amount by which the aggregate
13 amount of credits allowed by this subpart (de-
14 termined without regard to this subsection)
15 would increase if the limitation imposed by sec-
16 tion 26(a) were increased by the individual’s so-
17 cial security taxes for the taxable year.

18 The amount of the credit allowed under this sub-
19 section shall not be treated as a credit allowed under
20 this subpart and shall reduce the amount of credit
21 otherwise allowable under subsection (a).

22 “(2) SOCIAL SECURITY TAXES.—For purposes
23 of paragraph (1)—

1 “(A) IN GENERAL.—The term ‘social secu-
2 rity taxes’ means, with respect to any taxpayer
3 for any taxable year—

4 “(i) the amount of the taxes imposed
5 by section 3101 and 3201(a) on amounts
6 received by the taxpayer during the cal-
7 endar year in which the taxable year be-
8 gins,

9 “(ii) 50 percent of the taxes imposed
10 by section 1401 on the self-employment in-
11 come of the taxpayer for the taxable year,
12 and

13 “(iii) 50 percent of the taxes imposed
14 by section 3211(a)(1) on amounts received
15 by the taxpayer during the calendar year
16 in which the taxable year begins.

17 “(B) COORDINATION WITH SPECIAL RE-
18 FUND OF SOCIAL SECURITY TAXES.—The term
19 ‘social security taxes’ shall not include any
20 taxes to the extent the taxpayer is entitled to
21 a special refund of such taxes under section
22 6413(c).

23 “(C) SPECIAL RULE.—Any amounts paid
24 pursuant to an agreement under section 3121(l)
25 (relating to agreements entered into by Amer-

1 ican employers with respect to foreign affiliates)
2 which are equivalent to the taxes referred to in
3 subparagraph (A)(i) shall be treated as taxes
4 referred to in such paragraph.

5 “(e) DENIAL OF DOUBLE BENEFIT.—No credit shall
6 be allowed under subsection (a) for any expense for which
7 an exclusion, deduction, or credit is allowed under any
8 other provision of this chapter.

9 “(f) ELECTION NOT TO HAVE SECTION APPLY.—A
10 taxpayer may elect not to have this section apply with re-
11 spect to the qualified evacuation expenses of the taxpayer
12 for any taxable year.”.

13 (b) CLERICAL AMENDMENT.—The table of sections
14 for subpart A of part IV of subchapter A of chapter 1
15 of such Code is amended by inserting after the item relat-
16 ing to section 25D the following new item:

“Sec. 25E. Evacuation expenses in mandatory evacuation.”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall apply to taxable years ending after Au-
19 gust 29, 2008.

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